

**ALEXANDRIA CITY COURT  
ALEXANDRIA, LOUISIANA**

**SEPTEMBER 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/14/10

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# OESTRIECHER & COMPANY

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**CERTIFIED PUBLIC ACCOUNTANTS**

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## Independent Auditor's Report

To the Honorable Judge Richard Starling, Jr.  
Alexandria City Court  
City of Alexandria, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Alexandria City Court as of and for the year ended September 30, 2009, which collectively comprise the Alexandria City Court's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of Alexandria City Court's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Alexandria City Court, at September 30, 2009, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.



The CPA. Never Underestimate The Value.™



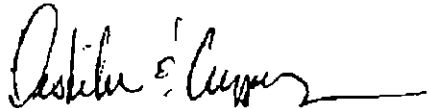
Emile P. Oestriecher, III, CPA  
Registered Representative

Securities offered through H.D. Vest Investment Securities, Inc. Member: NASD/SIPC  
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In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2010, on our consideration of the Alexandria City Court's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The required supplementary information on page 22 are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Alexandria City Court has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

A handwritten signature in dark ink, appearing to read "Oestricher & Company", with a long horizontal flourish extending to the right.

OESTRICHER & COMPANY  
Certified Public Accountants

March 25, 2010

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**Alexandria City Court  
Statement of Net Assets  
September 30, 2009**

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b><u>Assets</u></b>			
Cash	\$ 786,899	\$ -	\$ 786,899
Investments, at cost	920,584	-	920,584
Accrued interest receivable	3,383	-	3,383
Due from Alexandria City Marshal	18,009	-	18,009
Prepaid expenses	1,932	-	1,932
Capital assets, net of accumulated depreciation	54,598	-	54,598
<b>Total assets</b>	<b>\$ 1,785,405</b>	<b>\$ -</b>	<b>\$ 1,785,405</b>
<b><u>Liabilities</u></b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,602	\$ -	\$ 1,602
Other liabilities	10,517	-	10,517
<b>Total liabilities</b>	<b>12,119</b>	<b>-</b>	<b>12,119</b>
<b><u>Net Assets</u></b>			
Invested in capital assets, net of related debt	54,598	-	54,598
Unrestricted	1,718,688	-	1,718,688
<b>Total net assets</b>	<b>\$ 1,773,286</b>	<b>\$ -</b>	<b>\$ 1,773,286</b>

The notes to the financial statements are an integral part of this statement.

Alexandria City Court  
Statement of Activities  
For The Year Ended September 30, 2009

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-Type Activities	
<b>GOVERNMENTAL ACTIVITIES</b>							
<b>Primary Government</b>							
Governmental activities							
General fund	\$ 235,218	\$ 255,371	\$ -	\$ -	\$ 20,153	\$ -	\$ 20,153
Pretrial Intervention	126,482	243,445	-	-	116,963	-	116,963
Probation Fund	178,367	107,075	-	-	(71,292)	-	(71,292)
Maintenance Fund	-	4,960	-	-	4,960	-	4,960
Building Fund	31,532	95,520	-	-	63,988	-	63,988
Total governmental activities	<u>571,599</u>	<u>706,371</u>	<u>-</u>	<u>-</u>	<u>134,772</u>	<u>-</u>	<u>134,772</u>
Total primary government	<u>\$ 571,599</u>	<u>\$ 706,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,772</u>	<u>\$ -</u>	<u>\$ 134,772</u>
General revenues:							
Interest and investment earnings					26,864		
Miscellaneous					61,647		
Total general revenues and transfers					88,511		
Change in net assets					\$ 223,283		
Net assets-beginning of year					1,550,003		
Net assets-ending of year					<u>\$ 1,773,286</u>		

The notes to the financial statements are an integral part of this statement.

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**GOVERNMENTAL FUNDS**



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## **FUND FINANCIAL STATEMENTS**

Balance Sheet  
Governmental Funds  
Alexandria City Court  
September 30, 2009

	General	Pretrial Intervention	Probation	Maintenance	Building	Total Governmental Funds
<b>Assets</b>						
Cash	\$ 99,762	\$ 461,352	\$ 29,201	\$ 24,378	\$ 172,206	\$ 786,899
Investments, at cost	482,399	-	303,425	-	134,760	920,584
Accrued interest receivable	3,383	-	-	-	-	3,383
Prepaid expenses	-	-	1,932	-	-	1,932
Due from Alexandria City Marshal	18,009	-	-	-	-	18,009
Due from other funds	22,201	-	24,322	-	-	46,523
<b>Total assets</b>	<b>\$ 625,754</b>	<b>\$ 461,352</b>	<b>\$ 358,880</b>	<b>\$ 24,378</b>	<b>\$ 306,966</b>	<b>\$ 1,777,330</b>
<b>Liabilities and fund balance</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 1,602	\$ -	\$ -	\$ -	\$ -	\$ 1,602
Due to general fund	-	15,185	-	-	-	15,185
Due to other funds	21,832	3,420	-	-	-	25,252
Other liabilities	10,517	-	-	-	-	10,517
<b>Total liabilities</b>	<b>33,951</b>	<b>18,605</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,556</b>
<b>Fund balance:</b>						
Unreserved:						
Undesignated	591,803	442,747	358,880	24,378	306,966	1,724,774
<b>Total fund balances</b>	<b>591,803</b>	<b>442,747</b>	<b>358,880</b>	<b>24,378</b>	<b>306,966</b>	<b>1,724,774</b>
<b>Total liabilities and fund balances</b>	<b>\$ 625,754</b>	<b>\$ 461,352</b>	<b>\$ 358,880</b>	<b>\$ 24,378</b>	<b>\$ 306,966</b>	<b>\$ 1,777,330</b>

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Balance Sheet  
of Governmental Funds  
to the Statement of Net Assets  
September 30, 2009**

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Total fund balance-total governmental funds	\$ 1,724,774
Amounts reported for <i>governmental activities</i> in the statement of net assets are different because:	
Capital assets of \$503,028 net of accumulated depreciation of (\$448,430), are not financial resources and, therefore, are not reported in the funds.	\$54,598
Internal service funds are used by management to charge the costs of certain activities to individual funds. Assets and liabilities of the internal services funds of \$6,086 are not included in governmental activities in the statement of net assets.	<u>(6,086)</u>
	<u>48,512</u>
Net assets of governmental activities	<u>\$ 1,773,286</u>

The notes to the financial statements are an integral part of this statement

**Statement of Revenues, Expenditures, and Changes  
in Fund Balances-Governmental Funds  
Alexandria City Court  
For the year ended September 30, 2009**

	<u>General Fund</u>	<u>Pretrial Intervention</u>	<u>Probation</u>	<u>Maintenance Fund</u>	<u>Building Fund</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>						
Court costs	\$ 255,371	\$ 243,445	\$ 107,075	\$ 4,960	\$ 95,520	\$ 706,371
Other revenue	31,647	-	30,000	-	-	61,647
Interest	15,648	601	7,980	86	2,549	26,864
<b>Total revenues</b>	<u>302,666</u>	<u>244,046</u>	<u>145,055</u>	<u>5,046</u>	<u>98,069</u>	<u>794,882</u>
<b>Expenditures:</b>						
<b>Current:</b>						
General Fund	234,447	-	-	-	-	234,447
Pretrial Intervention	-	120,167	-	-	-	120,167
Probation	-	-	178,367	-	-	178,367
Building	-	-	-	-	24,041	24,041
Capital outlay	2,108	-	-	-	13,227	15,335
<b>Total expenditures</b>	<u>236,555</u>	<u>120,167</u>	<u>178,367</u>	<u>-</u>	<u>37,268</u>	<u>572,357</u>
<b>Excess of revenues over expenditures</b>	66,111	123,879	(33,312)	5,046	60,801	222,525
<b>Fund balances, beginning</b>	<u>525,692</u>	<u>318,868</u>	<u>392,192</u>	<u>19,332</u>	<u>246,165</u>	<u>1,502,249</u>
<b>Fund balances, ending</b>	<u>\$ 591,803</u>	<u>\$ 442,747</u>	<u>\$ 358,880</u>	<u>\$ 24,378</u>	<u>\$ 306,966</u>	<u>\$ 1,724,774</u>

The notes to the financial statements are an integral part of this statement.

**Reconciliation of the Statement of  
Revenues, Expenditures, and Changes in Fund Balance  
to the Statement of Activities  
For the year ended September 30, 2009**

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Net changes in fund balances-total governmental funds	\$ 222,525
Amounts reported for <i>governmental activities</i> in the statement of activities are different because:	
Changes in internal service fund balances	341
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital expenditures	15,335
Depreciation expense	<u>(14,918)</u>
Change in net assets of governmental activities	<u>\$ 223,283</u>

The notes to the financial statements are an integral part of this statement

**FIDUCIARY FUND**

**Statement of Fiduciary Net Assets-Fiduciary Fund**  
**Alexandria City Court**  
**September 30, 2009**

	<b><u>Agency Funds</u></b>
<b><u>Assets</u></b>	
Cash	\$967,941
Investments, at cost	16,470
Other assets	<u>3,539</u>
<b>Total assets</b>	<b><u>\$987,950</u></b>
<b><u>Liabilities</u></b>	
Advance court costs	\$973,114
Forfeited bonds	942
Restitutions	7,808
Due to General Fund	<u>6,086</u>
<b>Total liabilities</b>	<b><u>\$987,950</u></b>

The notes to the financial statements are an integral part of this statement.

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## **NOTES TO FINANCIAL STATEMENTS**



**Alexandria City Court  
Notes to Financial Statements**

**September 30, 2009**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

These financial statements are presented in conformity with generally accepted accounting principles as applicable to governmental units. The following is a summary of the more significant accounting policies affecting their presentation.

*Government-wide Financial Statements*

The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the Alexandria City Court as a whole excluding fiduciary activities. Individual funds are not displayed but the statements distinguish governmental activities from business-type activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

*Fund Financial Statements*

Fund financial statements are provided for governmental and fiduciary funds. Major individual governmental funds are reported in separate columns.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

**Reporting Entity** - In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basic, but not only criterion, for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. A third criterion used to evaluate potential component

**Alexandria City Court  
Notes to Financial Statements**

**September 30, 2009**

units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

The Alexandria City Court is a potential component unit of the City of Alexandria, Louisiana. However, the Alexandria City Court is a separate reportable entity from the City of Alexandria because it is essentially an autonomous unit. The City Judge, an elected official, has the ability to exercise accountability for fiscal matters. The Alexandria City Court is financially independent from the City of Alexandria, Louisiana.

*Governmental Funds –*

**General Fund** - The General Fund is the general operating fund of Alexandria City Court. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Pretrial Intervention Fund** – Fees are collected and used to pay for operating expenses of the Pretrial Intervention Program, which was established to help first time, non-criminal offenders avoid trial and pay the debt for their offense by agreeing to comply with probationary terms and paying a fee.

**Probation Fund** – Fees are collected and used to pay for operating expenses of the Probation Program, which was established to aid the Alexandria City Court in monitoring and compliance with probationary terms of those individuals who have been placed on probation by the judge.

**Building Fund** – Fees are collected from each suit that comes through the court. These fees are used at the Judge's discretion to pay for building and equipment upkeep.

**Maintenance Fund** – Fees are collected from the Rapides Parish Driver Improvement Program. The Program uses the City Court building to conduct driver improvement classes. The funds collected are used to pay for maintenance and upkeep on the building.

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**Alexandria City Court**  
**Notes to Financial Statements**

**September 30, 2009**

*Fiduciary Funds -*

Agency Funds - Agency funds are used to account for assets held by Alexandria City Court as an agent for other governmental departments, other organizations and other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Advance Court Costs Fund - Advance court costs are deposits made by plaintiffs who file civil suits. These deposits are recorded as a liability. The court acts only as a collection agent for fees in civil matters. As the suits are processed, the various fees earned are paid out on a monthly basis. Thus, the activity in this account is not reflected in the statement of revenues collected and expenditures paid. After a case is dismissed, any excess deposit is refunded to the plaintiff.

Garnishments Fund - The Court acts as a collection agent for garnishments when they are assessed in a civil suit. Ordinarily, the balance in this account represents amounts that have been received by the Court but have not yet been distributed to the person or agency to which they are due.

Bond Forfeiture Fund - To account for the collection and ultimate disposition of bonds posted by citizens who have been issued citations for traffic violations or arrested for criminal offenses. Bonds posted by violators are held until their cases are heard in Alexandria City Court. At that time, the bonds for persons convicted of violations are distributed to various agencies.

Restitution Fund - The Court collects restitution from persons who have been convicted of crimes. The court acts only a collection agent for restitution funds. The restitution funds are collected and then remitted to the injured party in criminal cases.

**Basis of Accounting**

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Fiduciary fund financial statements report using the same focus and basis of accounting.

Governmental fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible

**Alexandria City Court  
Notes to Financial Statements**

**September 30, 2009**

within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Fiduciary fund revenues and expenses or expenditures (as appropriate) should be recognized on the basis consistent with the fund's accounting measurement objective. The Alexandria City Court has three fiduciary funds, agency funds, which are purely custodial and thus do not involve measurement of results of operations.

**Cash and cash equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the city court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

**Investments**

Investments are limited by R.S. 33:2955 and the City Court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are recorded at cost which approximates market value.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates. This will affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these amounts.

**2. CASH AND INVESTMENTS:**

Cash balances are insured to Federal Depository Insurance Corporation limits of \$250,000. Deposits in excess of these limits are secured by collateral held in the pledging bank's trust department. These securities have a fair market value of \$1,663,466.

At September 30, 2009, the Alexandria City Court had certificates of deposit totaling \$937,042. The certificates bear interest ranging from 0.25% to 2.23% and have maturities ranging from ninety-one days to sixty months, with penalties for early withdrawal. Any penalties for early withdrawal would not have a material effect on the financial statements.

**Alexandria City Court  
Notes to Financial Statements**

**September 30, 2009**

**3. COURT COSTS PAYABLE:**

These various liabilities represent charges against advance court costs deposited for each case and are based on the processing of the case by the judge and/or marshal. As activity occurs in the suit, the advance court costs account is decreased and the related liability account is decreased.

**4. INTERFUND RECEIVABLES AND PAYABLES:**

A summary of the interfund receivables and payables by fund at September 30, 2009, is presented below:

	<u>Interfund Payables</u>	<u>Interfund Receivables</u>
Advanced Court Costs Fund	\$ 3,477	\$ 0
Bond Forfeiture Fund	0	315
Garnishments Fund	3,540	0
Restitution Fund	0	615
General Fund	21,832	22,202
Pretrial Intervention Fund	18,605	0
Probation Fund	<u>0</u>	<u>24,322</u>
	<u>\$ 47,454</u>	<u>\$ 47,454</u>

**5. CAPITAL ASSETS:**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus.

All government fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

All capital assets are stated at historical cost. Historical costs include not only the purchase price and construction costs, but also ancillary charges to place the asset in its intended location and condition for use. Capital assets are depreciated using the straight-line method over their estimated useful lives.

**Alexandria City Court  
Notes to Financial Statements**

**September 30, 2009**

Capital asset activity for the year ended September 30, 2009 was as follows:

	<u>Balance</u> <u>9/30/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/09</u>
Furniture and fixtures	\$ 133,705	\$ 7,274	\$ -0-	\$ 140,979
Office equipment	248,038	8,061	-0-	256,099
Vehicles	41,250	-0-	-0-	41,250
Building improvements	<u>64,700</u>	<u>-0-</u>	<u>-0-</u>	<u>64,700</u>
Totals	487,693	15,335	-0-	503,028
Accumulated Depreciation	<u>(433,512)</u>	<u>14,918</u>	<u>-0-</u>	<u>(448,430)</u>
Capital assets, net	<u>\$ 54,181</u>			<u>\$ 54,598</u>

**6. COMPENSATED ABSENCES:**

The Alexandria City Court's obligation for employees' rights to receive compensation for future absences (such as vacation) was not material as of September 30, 2009, and thus, is not recognized in the accompanying financial statements.

**7. ECONOMIC DEPENDENCY:**

All revenues collected for Court Costs are received from the Alexandria City Marshal's office. These monies are expended in the operation of the office of the Alexandria City Court.

**8. RETIREMENT COMMITMENTS:**

The Alexandria City Court contributed \$3,507 this year to the Parochial Employees' Retirement System of Louisiana on behalf of qualifying individuals employed by the Court. There were nineteen employees of the Court of which one qualified and participated. The Court's covered payroll was \$28,350, and the total payroll for all employees was \$319,153.

The Parochial Employees' Retirement System of Louisiana required the Court to fund 12.75% for the 4<sup>th</sup> quarter of 2008 and 12.25% of total salary for the first three quarters of 2009. No actuarial data was available on the aforementioned retirement plan.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

**Budgetary Comparison Schedule  
All Governmental Fund Types  
Alexandria City Court  
For the year ended September 30, 2009**

	GENERAL FUND				SPECIAL REVENUE FUNDS			
	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>								
Court costs	\$ 360,000	\$ 350,000	\$ 255,371	\$ (4,629)	\$ 398,000	\$ 398,000	\$ 451,000	\$ 53,000
Other revenue	12,000	12,000	31,647	19,647	3,000	3,000	30,000	27,000
Interest	20,000	20,000	15,648	(4,352)	12,550	12,550	11,216	(1,334)
<b>Total revenues</b>	<b>392,000</b>	<b>382,000</b>	<b>302,666</b>	<b>10,666</b>	<b>413,550</b>	<b>413,550</b>	<b>492,216</b>	<b>78,666</b>
<b>Expenditures:</b>								
Salaries and wages	136,000	128,000	110,569	15,431	160,000	160,000	208,584	(48,584)
Payroll taxes	8,000	8,000	17,403	(9,403)	68,500	68,500	5,897	62,603
Retirement expense	3,500	3,500	3,507	(7)	-	-	-	-
Law books	-	-	-	-	5,000	5,000	2,725	2,275
Uniforms allowance	7,500	7,500	6,500	1,000	-	-	2,800	(2,800)
Dues and subscriptions	2,000	2,000	1,222	778	-	-	-	-
Capital expenditures	-	-	2,108	(2,108)	10,000	10,000	13,227	(3,227)
Equipment lease	-	-	3,000	(3,000)	7,000	7,000	503	6,497
Equipment purchases	-	-	-	-	3,000	3,000	-	3,000
Bank charges	-	-	2,995	(2,995)	400	400	1,202	(802)
Miscellaneous	-	-	5,908	(5,908)	-	-	73,813	(73,813)
Office supplies	12,000	12,000	13,760	(1,760)	3,200	3,200	355	2,845
Postage	11,500	11,500	15,102	(3,602)	1,000	1,000	260	740
Transfer to City of Alexandria	-	-	-	-	-	-	-	-
Repairs & maintenance	2,500	2,500	1,087	1,413	6,500	6,500	5,247	1,253
Legal & professional	12,000	12,000	13,712	(1,712)	10,000	10,000	9,271	729
Computer services	-	-	-	-	43,000	43,000	5,728	37,272
Computer purchase	-	-	-	-	1,000	1,000	-	1,000
Insurance	18,000	18,000	18,730	(730)	3,000	3,000	4,288	(1,288)
Internet service	-	-	-	-	3,500	3,500	-	3,500
Vehicle maintenance & expense	-	-	-	-	4,000	4,000	1,657	2,343
Storage	2,500	2,500	3,696	(1,196)	-	-	-	-
Supplies	-	-	17,256	(17,256)	3,300	3,300	890	2,410
Telephone	-	-	-	-	7,500	7,500	355	7,145
<b>Total expenditures</b>	<b>205,500</b>	<b>205,500</b>	<b>236,555</b>	<b>(31,055)</b>	<b>339,900</b>	<b>339,900</b>	<b>335,802</b>	<b>4,098</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>86,500</b>	<b>86,500</b>	<b>66,111</b>	<b>41,721</b>	<b>73,650</b>	<b>73,650</b>	<b>156,414</b>	<b>82,764</b>
Fund balances, beginning	525,692	525,692	525,692	-	1,135,971	1,135,971	1,135,971	-
<b>Fund balances, ending</b>	<b>\$ 612,192</b>	<b>\$ 612,192</b>	<b>\$ 591,803</b>	<b>\$ 20,389</b>	<b>\$ 1,209,621</b>	<b>\$ 1,209,621</b>	<b>\$ 1,289,385</b>	<b>\$ (82,764)</b>

The notes to the financial statements are an integral part of this statement





# OESTRIECHER & COMPANY

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## Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Judge Richard Starling, Jr.  
Alexandria City Court  
Alexandria, Louisiana

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Alexandria City Court as of and for the year ended September 30, 2009, and have issued our report thereon dated March 25, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Alexandria City Court's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of Alexandria City Court's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Alexandria City Court's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted



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Emile P. Oestriecher, III, CPA  
Registered Representative

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accounting principles such that there is more than a remote likelihood that a misstatement of the Alexandria City Court's financial statements that is more than inconsequential will not be prevented or detected by the Alexandria City Court's internal control. We consider the deficiencies described in the accompanying schedule of current year findings and questioned costs as items 2009-1 and 2009-2 to be significant deficiencies in internal control over financial reporting.

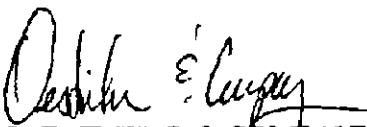
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Alexandria City Court's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 2009-2 to be a material weakness.

#### Compliance

As part of obtaining reasonable assurance about whether the Alexandria City Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of management and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

  
OESTRICHER & COMPANY  
Certified Public Accountants

March 25, 2010

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**ALEXANDRIA CITY COURT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the year ended September 30, 2009**

***Section I-Summary of Auditor's Reports***

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Alexandria City Court.
2. Two significant deficiencies disclosed during the audit of the basic financial statements is reported in the Independent Auditor's Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the basic financial statements of Alexandria City Court were disclosed during the audit.

***Section II - Financial Statement Findings***

**Finding 2009-1**

**Statement of Condition** – Alexandria City Court does not have adequate segregation of duties within the administrative office.

**Criteria** – A system of internal control procedures requires a segregation of duties so that no individual handles a transaction from start to finish.

**Effect of condition** – Lack of oversight that could lead to improperly recorded transactions.

**Cause of condition** –The small number of personnel employed by Alexandria City Court.

**Recommendation** – Alexandria City Court should monitor the assignment of duties to insure as much segregation of duties as possible.

**Questioned costs** – None

Finding 2009-2

**Statement of Condition** – Job description for bookkeeper does not describe all of the requirements necessary so that Alexandria City Court will hire someone with sufficient training and knowledge that has the ability to prepare financial statements in accordance with GAAP.

**Criteria** – A reporting entity should be able to prepare financial statements in accordance with GAAP without any outside assistance.

**Effect of Condition** – A number of audit adjustments were recorded due to the lack of experience and training by the bookkeeper. The audit firm was also required to assist management in the preparation of financial statements in accordance with GAAP.

**Cause of Condition** – Job description did not stipulate requirements for hiring personnel with knowledge of GAAP.

**Recommendation** – Alexandria City Court should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

**Questioned Costs** – None

***Section III – Federal Awards Findings and Questioned Costs***

There were no federal awards.

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**Alexandria City Court  
Summary Schedule of Prior Audit Findings  
For the year ended September 30, 2009**

***Section I - Internal Control and Compliance Material to the Financial Statements***

**Finding No. 2008-1-**The Alexandria City Court does not have adequate segregation of duties within the administrative office.

**Corrective action taken-** Condition is not resolved. See Finding 2009-1.

**Finding No. 2008-2-**The Alexandria City Court does not have a person on staff who has the qualifications and training to apply generally accepted accounting principles in recording financial transactions or preparing the financial statements.

**Corrective action taken-** Condition is not resolved. See Finding 2009-2.

***Section II - Internal Control and Compliance Material to Federal Awards***

Not applicable.

***Section III – Federal Awards Findings and Questioned Costs***

There were no federal awards.

**Alexandria City Court  
P.O. Box 30  
Alexandria, LA 71301**

**March 25, 2010**

### **MANAGEMENT'S CORRECTIVE ACTION PLAN**

Alexandria City Court respectfully submits the following corrective action plan for the year ended September 30, 2009.

Name and address of contact person: Richard Starling, Jr., Alexandria City Judge, P.O. Box 30, Alexandria, Louisiana 71301.

Name and address of independent public accounting firm: Oestrieher and Company, CPAs, 4641 Windermere Place, Alexandria, Louisiana 71303-3548

Audit period: October 1, 2008 through September 30, 2009.

The finding from the Schedule of Findings and Questioned Costs are discussed below. The finding is numbered consistently with the number assigned in the schedule. The Summary of Audit Results does not include findings and is not addressed.

#### **FINDINGS-FINANCIAL STATEMENT AUDIT**

##### **FINDING NO. 2009-1:**

*Recommendation:* Alexandria City Court should monitor the assignment of duties to insure as much segregation of duties as possible.

*Action Taken:* Employees will be monitored as effectively as possible with the limited staff.

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**FINDING NO. 2009-2**

*Recommendation:* Alexandria City Court should consider the cost/benefit of hiring additional personnel with sufficient knowledge and training.

*Action Taken:* While management understands the nature of the finding and the necessity of personnel with qualifications that are higher than our current job descriptions, the benefits of hiring personnel with increased qualifications do not outweigh the costs.